

FISCAL NOTE

SB 224 - HB 271

February 14, 2001

SUMMARY OF BILL: Requires TennCare MCOs to have appropriate staff available on a 24-hour, seven day a week basis to make any necessary pre-certifications or authorizations for medical care.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$150,000

Other Fiscal Impact - Increase Federal Expenditures - Exceeds \$350,000

Assumes that TennCare managed care organizations would need to hire additional administrative staff to handle 24/7 authorizations. The amount of increased expenditures is not known but is estimated to exceed \$500,000 when the additional expenditures are incorporated in higher capitation rates.

According to the TennCare Bureau, one MCO currently has 24/7 nurse coverage for authorizations, one contracts for after-hours service and one uses a voice mailbox/beeper system for authorizations by a nurse. Other MCOs have authorization staff available only during business hours.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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